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|  | **Distribution of Income and Wealth**  The economic wellbeing of individuals is largely determined by their command over economic resources. People's income and reserves of wealth provide access to many of the goods and services consumed in daily life. This publication provides indicators of the level and distribution of after tax (disposable) household income, after adjusting for household size and composition.   The changes improve coverage of income by:   * incorporating non-cash benefits provided to employees, which adds $43 per week to average gross household income in 2007-08 ($18 and $15 respectively to the 2005-06 and 2003-04 average weekly household incomes) * incorporating termination payments and lump sum workers compensation payments, which adds $5 per week to average gross household income in 2007-08 * incorporating irregular overtime payments, which adds $9 per week in 2007-08 * measuring all bonuses rather than just the bonuses captured in previous surveys indistinguishably as part of the standard response to the question on regular wages and salaries, which contributes to higher average household income from this source in 2007-08 (up from $19 per week in 2005-06 to $32 per week in 2007-08) and * incorporating a broader range of inter-household transfers, which contributes to higher average household income from this source in 2007-08 (up from $4 per week in 2005-06 to $15 per week in 2007-08.   Excluding the effects of the improved coverage in 2007-08 reduces the Gini coefficient from 0.331 to 0.319. The 0.319 measure for 2007-08 is up 5.6% on the 1994-95 measure of 0.302. While other methodological changes introduced with the 2003-04 and 2005-06 survey results have contributed to this difference, the residual movement (after methodological changes) in this summary indicator is very likely to be statistically significant.  A major contributor to some of the changes in the income distribution measures in 2007-08, when compared with 2005-06, was the strong rise in wage and salary incomes (up 28%). After adjusting for the change in scope of the measures, a 22% increase remains, and is associated with the numbers of employees rising 8% (while the number of households rose only 2%), and with rising average wages and salaries.  **HOUSEHOLD INCOME**  In 2007-08, average (mean) equivalised disposable household income for all persons living in private dwellings was $811 per week (Table 1).  In real terms, average equivalised disposable household income in 2007-08 ($811) was 16% higher than in 2005-06 ($699).  Another measure of income distribution is provided by the income shares going to groups of people at different points in the income distribution. The following table (S6) shows that, in 2007-08, 10.1% of total equivalised disposable household income went to people in the 'low income' group (i.e those people with household income in the second and third deciles) with 40.5% going to the 'high income' group (i.e. the 20% of the population in the highest income quintile) (Table 1). The cost of care estimates in table 7 are shown, on a household basis, before the Child Care Benefit (or CCB which is shown separately) is deducted. For formal child care costs, the after CCB average weekly cost per child was $68, compared with $73 estimated from the CEaCS. Tax:  Welfare:  Equivalised wages:  Other: Resources boom affecting resource allocation 🡪changes in wages  <http://en.wikipedia.org/wiki/Social_Security_(Australia)> |  |